



Iowa Department of Human Services

INFORMATIONAL LETTER NO. 1968-MC-FFS

DATE: November 29, 2018

TO: Iowa Medicaid Home Health Agencies

APPLIES TO: Managed Care (MC) and Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Low Utilization Payment Adjustment (LUPA) Reimbursement Methodology Update

EFFECTIVE: Upon Receipt

Pursuant to the authority of 2018 Iowa Acts, Senate File 2418, section 39 and approval received from the Centers for Medicare and Medicaid Services (CMS), the Medicaid LUPA reimbursement rates in effect on June 30, 2018, are to be increased to the extent possible within the state funding appropriation of \$1.0M. The following Home Health program services are impacted by this update:

- Revenue Code 421-Physical Therapy
- Revenue Code 431-Occupational Therapy
- Revenue Code 441-Speech Language Pathology
- Revenue Code 551-Skilled Nursing
- Revenue Code 561-Medical Social Service
- Revenue Code 571-Home Health Aide

The Iowa Home Health Agency (HHA) LUPA Wage Indexes and Rates table is posted on the [DHS website](#)¹ and identifies the increased LUPA rates that are effective July 1, 2018. The IME claims processing system is in the update process for increased LUPA reimbursement rates. The LUPA rates have also been sent to the Managed Care Organizations (MCOs) for use based on their contracts with providers.

Claims with dates of service on or after July 1, 2018, will be reprocessed by the IME and MCOs as soon as possible following the update of the claims processing system.

If you have questions, please contact the IME Provider Cost Audit at 1-866-863-8610 or by email at costaudit@dhs.state.ia.us.

¹ <https://dhs.iowa.gov/ime/providers/csrp/fee-schedule>